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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending November 7, 2014

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices (\$/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Nov. 7/2014	Average	\$340.81	\$314.33	\$283.27	\$261.36	\$245.23	\$232.08	\$214.40
Nov. 7/2014	Range	332-351	297-336	269-300	252-270	238-254	226-235	209-222
Week/Week	Change	-\$12.99	-\$0.17	\$1.13	\$0.00	-\$1.33	-\$3.75	-\$1.93
Oct. 31/2014	Average	\$353.80	\$314.50	\$282.14	\$261.36	\$246.56	\$235.83	\$216.33
Feeder Heifers		300-400	400-500	500-600	600-700	700-800	800+ lb.	
Nov. 7/2014	Average	\$299.97	\$283.75	\$254.67	\$236.05	\$220.93	\$213.13	
Nov. 7/2014	Range	290-314	269-298	247-265	229-246	218-230	207-220	
Week/Week	Change	-\$10.72	\$2.30	-\$0.96	-\$2.83	-\$3.53	-\$4.29	
Oct. 31/2014	Average	\$310.69	\$281.45	\$255.63	\$238.88	\$224.46	\$217.42	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

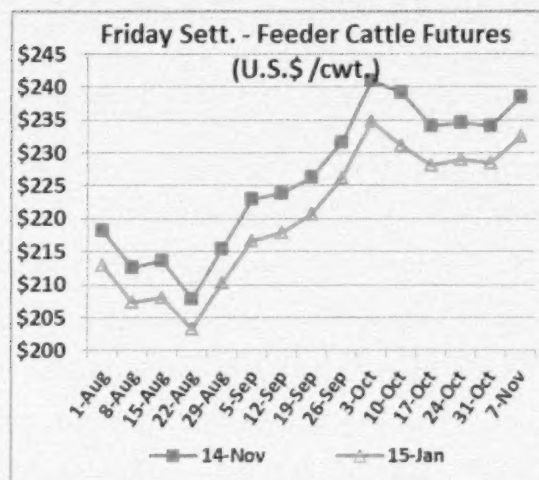
Canfax reported that a total of 56,554 head of cattle were sold in Saskatchewan this week, up from 51,137 head marketed the previous week. Saskatchewan feeder cattle prices were overall lower over the week with continued large volumes of feeder cattle sold.

Saskatchewan feeder steer prices were overall lower in most weight categories. Feeder steer prices ranged from \$12.99 per cwt lower to \$1.13 per cwt higher. The 300-400 lb. feeder steer weight category had the largest decline losing \$12.99 per cwt, while the 500-600 lb. feeder steer weight category had the only price gain increasing \$1.13 per cwt.

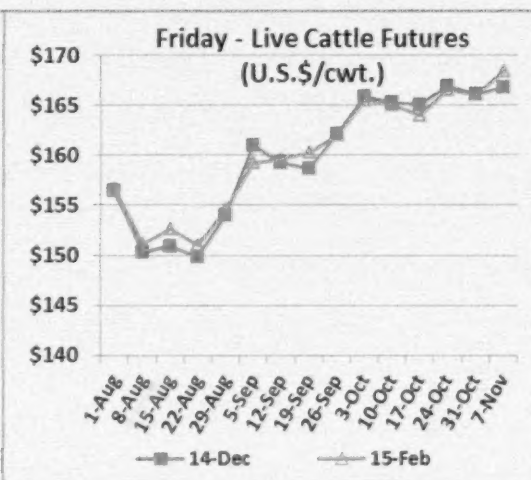
Feeder heifer prices were also lower in most weight categories over the week. Feeder heifer prices ranged from \$10.72 per cwt lower to \$2.30 per cwt higher. The 300-400 lb. feeder heifer weight category had the largest loss over the week declining \$10.72 per cwt. The 400-500 lb. weight category had the only price gain over the week increasing \$2.30 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the November 7, 2014, U.S. feeder cattle index at US\$240.54 per cwt was calculated at -\$27.37 per cwt (US\$240.54/0.8824 - \$245.23), a basis widening of \$3.47 per cwt from -\$23.90 per cwt on October 30, 2014.

Feeder cattle futures prices were higher for most of the week increasing four out of the five days, ending the week higher, week-over-week. The November futures contract increased US\$4.375 per cwt to settle Friday at US\$238.525 per cwt, while the January 2015 contract increased US\$3.975 per cwt to settle Friday at US\$232.450 per cwt. Prices edged overall higher over the week peaking on Friday, close to the week's settlement price. The November contract daily price ranges averaged about US\$2.00 per cwt over the week and peaked at US\$2.55 per cwt on Monday. Daily price ranges were overall lower than the previous week.



Source: CME



Source: CME

Live cattle futures prices were also higher for most of the week other than Wednesday, ending the week higher, week-over-week. The December and February live cattle future contracts were higher with the December contract increasing US\$0.750 per cwt to settle Friday at US\$166.800, while the February contract increased US\$2.275 per cwt to settle Friday at US\$168.375 per cwt. Daily price spreads over the week for the nearby December contract averaged about US\$1.68 per cwt with the largest spread of US\$2.175 on Friday. Daily price ranges over the week were overall lower than the previous two weeks.

Iowa cash corn prices and futures corn prices moved lower over the week. Iowa cash corn prices decreased 8 cents per bushel to end Friday at US\$3.29 per bushel. The December and March corn futures contracts were lower with the December contract decreasing over 9 cents to settle Friday at US\$3.67½ per bushel, while the March 2015 corn futures contract decreased almost 9 cents to settle Friday at \$3.80½ per bushel.

Fed and Non-fed Cattle

	November 7	October 31	Change over Week
Cows (Alberta)			
D1,2 Live	125.33	126.38	-1.05
D3 Live	110.17	110.67	-0.50
Rail	245-250	245-250	0.00

Source: Canfax.

Prices for live weight, non-fed cattle in Alberta edged lower last week with D1,2 slaughter cows decreasing \$1.05 per cwt to average \$125.33 per cwt, while the price of D3 slaughter cows decreased \$0.50 per cwt to average \$110.17 per cwt.

Fed cattle prices in Western Canada were strong over the week and set new all-time high record prices. The price of fed steers in Alberta was reported to average \$174.00 per cwt, up from the last reported price of \$169.66 per cwt (Oct 24) two weeks ago.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$166.61 per cwt, down US\$0.85 from US\$167.46 per cwt the previous week, but up 27.3 per cent from US\$130.93 per cwt a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$261.86 per cwt, down US\$1.37 per cwt from US\$263.23 per cwt the previous week, but up 26.8 per cent from US\$206.44 per cwt a year ago.

U.S. beef production for the week totaled 465.1 million lb., up 2.1 per cent from 455.6 million lb. a week ago, but down 5.0 per cent from 489.5 million lb. the same week a year ago. Cattle slaughter numbers were 564,000 head, up 2.0 per cent from 553,000 head the previous week, but down 7.9 per cent from 612,000 head a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending November 8 averaged US\$250.35 per cwt, down US\$1.44 per cwt from US\$251.79 per cwt from the previous week, but up 22.4 per cent from US\$204.47 per cwt a year ago.

USDA World Agricultural Supply and Demand Estimates (WASDE)

The USDA released the November World Agricultural Supply and Demand Estimates (WASDE). The United States corn production estimates for the 2014 crop was reduced by 0.8 bushels per acre to 173.4 bushels per acre, reducing total production by 0.5 per cent to 14.407 billion bushels; from the October estimates. Lower corn production and higher domestic corn usage reduced the estimated ending corn stocks to 2.008 billion bushels, down 3.5 per cent from the October estimates. USDA's November's estimates were lower than the average trade estimates of 175.0 bushels per acre with total production of 14.5 billion bushels. The U.S. average farm price estimate for corn was increased 10 cents to a price range of US\$3.20 to US\$3.80 per bushel.

The November USDA WASDE report estimated that United States Red Meat and Poultry production for 2014 will be 92.115 billion lb., a slight increase from the October estimates, but a 1.3 per cent decline from 2013 production. United States beef production estimates for November were revised 0.4 per cent higher from October, but production will still be down 4.9 per cent from 2013, down more than any other meat. United States meat production for 2014 is projected to decrease for pork (-2.3%), turkeys (-1.1%), and beef (-4.9%), but increase for broilers (+1.7%), from the 2013 production. For 2015, beef production in the United States is projected to further decline (-3.2%), but will increase for pork (+4.2%), broilers (+3.0%), and turkeys (+3.2%); with combined red meat and poultry production up (+1.6%) from 2014.

Friday Price Information

Product	This Week (November 7)	Week of: (October 31)
Canadian Dollar (closing rate US\$)	.8824	.8872
U.S. Cash Cattle		
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	240.54	239.95
Seven-day Weighted Average FC Index Wt. (lb.)	730	737
Live Fed 5-area Steer Price (US\$ per cwt)	166.61	167.46
Feed Grains		
Barley Lethbridge (\$/tonne)	190.00	187.00
(\$ per bu.)	4.14	4.07
Corn Iowa State Average (CDN\$/tonne)*	146.78	149.54
(US\$ per bu.)	3.29	3.37
Omaha, NE (CDN\$/tonne)*	149.01	146.88
(US\$ per bu.)	3.34	3.31
Futures		
Dec. Corn (US\$ per bu.)	3.67½	3.76¼
March Corn (US\$ per bu.)	3.80½	3.89¼
December Live Cattle (US\$ per cwt)	166.800	166.050
February Live Cattle (US\$ per cwt)	168.375	166.100
November Feeder Cattle (US\$ per cwt)	238.525	234.150
January Feeder Cattle (US\$ per cwt)	232.450	228.475

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
 * conversion to CDN\$ is based on Friday's CDN\$ closing rate

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